

Harnessing the Next Phase of Wind Development in Rural Indiana: The Case for Strong State Policy

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About the Hoosier Environmental Council, and ICREED

- Hoosier Environmental Council
 - Largest environmental organization in Indiana
 - 10,000 people on our e-mailing list
- ICREED
 - The Indiana Coalition for Renewable Energy and Economic Development (ICREED)
 - Group of businesses, environmental, conservation, public health and consumer protection groups advocating for a bold vision for the state
 - Testified in the 2006, 2007, and 2008 legislative sessions

Rural Development and Wind Power

1. Others on this panel will speak to:
 - Local economic benefits
 - County payments
 - Wind ordinances
2. Speak to the *big picture*, which is crucial to sustaining rural-based wind development
3. Policy: “Renewable Electricity Standard,” net metering, and incentives for community-owned wind

Some Things All Parties Can Agree On

1. Wind power is finally here in Indiana, and only to grow more.
2. Rural economic benefits:
 - Landowner benefits
 - County benefits
 - Construction jobs



Now what?

Two Main Options



“Let the free market do its thing.”

- Philosophical conservatives
- Investor owned utility executives
- Some legislators and officials in the executive branch

“Policy is Necessary to Fully Realize the Promise of Wind Power in Indiana”

- Entrepreneurs
- Environmental, public health and consumer groups
- Construction firms
- County economic officials
- Agricultural groups
- Some legislators, executive officials
- National security hawks

Continued investment in the absence of strong policy is inevitable.

- Wind speeds are good
- Proximity to different transmission grids
- Markets are there outside of Indiana

Anecdote:

- Legislators, advocates “nothing far-reaching gets done in the legislature”

**But policy *maximizes* the promise of
wind power to rural counties
and to the state overall**



#1: Policy Triggers Rural/Agricultural Investment Statewide

- Dozens of wind farms like to be prospected
 - Policies that ensure buyers for electricity will be much more likely to be built
 - Reduce cost of capital
- Community-owned wind
- Small wind systems



#2: Policy Helps Cushions Small Hoosier Businesses Against Rising Energy Costs

- Federal carbon regulations will raise electricity prices by 30% by 2020, and 40% by 2030 (SUFG, 2008)
- Due to fossil fuel dependency of our electricity sector



#3: Policy Puts a Dent in Our Health Care Costs

- \$5 billion in expenditures in particulate pollution costs alone
- Ds and Fs in:
 - Ozone pollution (e.g. Marion County)
 - Particulate pollution (NW, SW, Indiana)



#4: Policy Can Induce Widespread Investment in Manufacturing

- Wind component manufacturing investment tends to occur in areas with strong policies:
 - Clipper Wind (IA)
 - Suzlon (MN)
 - Siemens (IA)
 - Gamesa (PA)



#5: Policy Keeps Indiana Competitive

- Illinois, Minnesota, Ohio, Wisconsin
- Michigan (passed out of the House)
- Missouri (on the referendum ballot)



**Conclusion: Case for Policy is
rigorous and compelling**

Now what?



Focus Energies on the Passage of a State Level Renewable Electricity Standard in 2009



A Renewable Electricity Standard

- A requirement for utilities to buy an increasing percentage of their electricity from renewables
- Passed in half of the states in the U.S.
- A driver of 70% of investment

Legislative History

- Passed in the Indiana House in 2007
- Four bills introduced in 2008
 - Conference committee
- It fell in 2008 because:
 - Differing Senate and House views on definition, percentage
 - Utility concessions
 - Out-of-date information, misinformation

How do we bring it over the top?

1. Recognize the merits of those opposed to policy.
 - Make the case that policy is in the best interests of Indiana's economy and environment
2. Address commonly held concerns.
 - RES (e.g. rate impact),
 - Wind power (intermittency, bird impact)
3. Deepen the rural economic development benefit of an RES
4. Build meaningful relationships with legislators.
 - In the summer, not December

Let's work together

- There's too much at stake – unity is more powerful
- Work with ICREED to advance the banner of not only an RES, but advanced policy research, small wind development, net metering legislation, and other initiatives

THANK YOU

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